

**HAMPTON BOARD OF SELECTMEN
SELECTMEN'S MEETING ROOM
DECEMBER 10, 2007 – 7:00 PM**

PRESENT: Ben Moore, Chairman
Bill Lally, Vice Chairman
James Workman
Virginia Bridle-Russell
Rick Griffin
Fred Welch, Town Manager
Maureen Duffy, Administrative Assistant

REGRETS:

Chairman Moore called the meeting to order at 7:00 p.m. and introduced those in attendance.

SALUTE TO THE FLAG

A moment of silence was held for Olive Lessard who passed away over the weekend.

I. ANNOUNCEMENTS AND COMMUNITY CALENDAR

Mrs. Bridle-Russell announced that the Fire Department is accepting toys and money for the Toy Bank. She also announced that food supplies are low at local pantries and encouraged residents to donate if possible.

Mr. Workman noted a mass will be held at Our Lady of Miraculous Medal Church on Friday, December 14 at 10 a.m. to celebrate Mrs. Lessard's life. The wake has been arranged at Gray's Funeral Home this Thursday, December 13 at 2 to 4 p.m. and 7 to 9 p.m. Mr. Workman also announced the Santa Breakfast this Sunday, December 16 at the Old Salt.

II. APPOINTMENTS

1. FINANCE DIRECTOR MICHAEL SCHWOTZER – UPDATE + BANK COMMITMENT PAPERS

Finance Director Schwotzer still believes that the total income for 2007 will be within the 98 – 99% figure of the budgeted level. He expects the year to end around \$6.27 million versus a budget of \$6.37 million. This does not take into account any of the other departmental sources that will continue through the last month of the year.

Mr. Schwotzer explained that the expense summary shows the year to date expenses by department. At the end of November, the operating departments (without Debt Service) were 3.9% or \$837,000 (annualized) below budget. The effect of money spent on "Grants" (the majority being FEMA money) has been removed from the calculations. Mr. Schwotzer believes that the year end will be closer to last month's level of estimated year end

departmental savings (approximately 3%). He will continue to monitor this during the final weeks of the year. Especial attention will be made to the level of purchase orders (PO) approved and issued during December. Mr. Schwotzer pointed out that the total amount in purchase orders has decreased over the past few years. In 2005 there was \$803,450 in POs, in 2006 approximately \$635,000 and in 2007 there are less than \$400,000 in POs.

Finance Director Schwotzer reported that the majority of the departments are below the 92% level and don't have any major issues. A few sub-departments "appear" to be over budget due to the booking of the Grant and April Storm costs. Mr. Schwotzer reported that at year end, the auditors will "increase" the budget in an amount equal to the money received from grant agencies which cover these expenditures.

The Tax Collector's supplies will be adjusted downward in December for \$11,000 when the Finance Director re-classes next year's computer maintenance bill from a current to a pre-paid expense.

In November, an additional \$0.9 million in Tax Anticipation Notes (TAN) were borrowed for a total of \$2.9 million in the second half of the year. After tax revenues were collected, \$2.3 million was paid off. The remaining \$600,000 TANs along with accompanying interest expense (\$7,900) will be paid in the first part of December.

Mr. Schwotzer reported that approximately \$394,000 of the 2006 encumbered POs still remain open. Of this, open Warrant Articles account for \$325,000. There is \$48,000 for engineering (non-FEMA covered expenses); \$14,000 in Planning and the last \$6,000 is in Public Works. The \$48,000 for engineering will be presented to the Selectmen for consideration to be carried over into 2008. The rest should be completed or will be liquidated by the end of December.

The revolving accounts shown for the EMS fund reflects 10 months versus 11 months of expenses. Comstar's report runs a month behind on average and the billings have been brought up to date.

Mr. Lally said that he thinks that the \$400,000 in POs is still high. Mr. Schwotzer does not believe that the figure is high because one PO can be very large, which increases the entire figure. He has been working with the Department heads to try and minimize this figure as much as possible.

Mrs. Bridle-Russell noted that the demands for Welfare continue to rise. Basic needs such as utilities and medications are being met by the Town.

Mr. Workman asked if the EMS balance report for 2006 was for the full year. Mr. Schwotzer reported that it was and he had put it in the report as requested by the Budget Committee.

Mr. Moore's question pertained to the EMS balance report and to the Fire Department's budget. He noted that there was a career incentives payment in December and then an allocation to the fund. Mr. Schwotzer said that last year, \$68,000 was moved over to the account and he will soon be moving over a similar amount. Mr. Moore said that there should be more as there is an \$88,000 anticipated credit in the 2008 budget. Mr. Schwotzer said that he has to carefully consider each incentive factor.

Mr. Schwotzer provided an analysis of the Beach Infrastructure Project as well as for Kings Highway. He ended up budgeting for the loan shortfall but the problem is that the Town has already expended the money on the projects. There is a \$692,743 shortfall for the Infrastructure project. In order to pay this money, the Town has received a commitment letter from The Provident Bank for \$692,000 for 244 months. The first four payments in 2008 will be interest only which will total \$1,100, followed by installments beginning in 2009 comprised of principal and interest for an annual payment of \$55,500.

The Town spent the \$2.2 million SRF Loan but not all funds were SRF allowable. For that reason there is a shortfall of \$468,000. The 2008 budget includes a payment of \$47,500. Mr. Schwotzer indicated that the Town needs to get the money to pay back the advancement. He provided a copy of the commitment letter from The Provident Bank outlining the 20 year term loan for \$468,000, with the first payment in December 2008. Mr. Schwotzer wanted to bring the shortfall issue to the attention of the Selectmen. Mr. Schwotzer will be at next week's meeting to bring the final commitment letters forward.

Mr. Moore summarized the SRF shortfall issue as follows: voters authorized the \$12 million for the infrastructure project; the Town has only bonded \$11.3 million of the total amount, so the remaining \$692,000 will be bonded to be paid back over 20 years (which is the same term that the Town is paying on the other bond for the project). Payments have not been budgeted for in the 2008 budget however, the payment will be only \$1,100. The Kings Highway project was approved by the voters for a total of \$2.2 million funds, only \$1,731,411 has been received for a shortfall of \$468,589. Mr. Moore asked the Finance Director if he is anticipating the payment for the Kings Highway project bond to be \$37,500. Mr. Schwotzer confirmed that figure and the 2008 budgeted amount is \$47,500.

2. FIRE CHIEF LIPE – FIRE DEPARTMENT WARRANT ARTICLES

Fire Chief Hank Lipe and Architect Rich Landry presented the proposed beach fire station site plan. The station is located near the Police Station in the southeast corner of the Ashworth parking lot. It is a four bay door two story structure. The first floor is 4,730 square feet that consists of apparatus bays, walk-in medical aid, decontamination area, and hose tower. The second floor is 3,200 square feet with an area for the crew quarters, kitchen/dayroom laundry, storage and the hose tower. The projected cost for the station is \$2,221,100.

The total number of parking spaces that are expected to be eliminated by the proposed construction would be nine.

The Chief went on to describe the proposed uptown fire station also known as the Safety Services Center. The Center would include the Fire Station, Building Department, Planning Board and Conservation Commission. The station includes the current structure with four bays as well as 21,000 new square feet. The expected cost of the project is \$4,576,250.

The Town Manager's forward thinking to meet future needs has been incorporated in the design of the stations. It is likely that additional equipment will be necessary to meet the increasing Hampton population. In addition, it addresses the space needs for the Building, Planning and Conservation departments. Chief Lipe noted that the proposed Safety Services Center has been endorsed by the Plan NH Charrette.

Mr. Moore questioned why the crew quarters are on the first floor and the public service areas are on the second floor. The Architect explained that he and the Chief have researched reaction time and having emergency crews on the first floor allows them to get out the door faster.

There is additional space for headquarters, the emergency operations center/training room as well as a meeting room. This room will also be setup for meetings to be broadcast.

Mr. Moore asked about parking. Chief Lipe noted that parking will be available on the side and behind the building.

Town Manager Welch discussed financing considerations for the facilities. He also talked about refinancing the Police Station to decrease the monthly payments. Mr. Welch said that from his perspective the uptown station is the most important consideration at this time because of emergency operations needs during severe flooding in the beach area. He pointed out that the structures are to incorporate a 50 year solution.

Mr. Lally and Mr. Griffin believe that the uptown station needs to be constructed first. They would also like to see the Town focus on one structure.

Mr. Workman questioned what happens in 2009 when the current lease for the beach fire station is not renewed. Mr. Welch said that the equipment would have to be moved uptown or a temporary place would need to be used until a new station could be built.

Mr. Workman asked about calling in the loan for the Police Station bond. Finance Director Schwotzer noted that there are continuing call times for the loan. The new loan that is currently being considered is for a 30 year period.

Mr. Lally MOTIONED to go forth with the proposed uptown Safety Services Center and that the cost does not exceed \$4.6 million to be paid over a 30 year term. **Mrs. Bridle-Russell SECONDED.**

Discussion:

Mr. Workman understands the need to make small steps however, the cost of putting off construction projects costs more in the future. Mr. Moore said that the Selectmen can consider placing two separate articles on the ballot. He reminded fellow Selectmen that the beach station has been at the forefront of discussion for the lead paint and moldy conditions. Mr. Lally believes that the proposed beach station looks big for a substation and would like to see another design. Mr. Workman pointed out that the proposed beach station is 22% smaller in square footage than the current station. Chief Lipe noted that the proposed substation would be full right now and that it makes good sense to add an additional bay with today's costs in supplies. Mr. Lally would like to present something that will be acceptable to the voters. Mr. Griffin can't imagine three public buildings at the beach (Precinct, Fire and Police). Chief Lipe said that it is ill advised to not have proper fire protection at the beach. It is the highest hazard area in Hampton and something needs to be done to ensure fire protection. Mrs. Bridle-Russell said that she agrees that there is a need for fire protection at the beach but does not believe that such a large facility is needed and that perhaps one similar to Portsmouth's could be considered. Chief Lipe said that Portsmouth is planning on replacing their substation as it is too small for the needs of the city. Mr. Welch noted that the beach is a high hazard area with many old structures in a dense area. He continued to say that the Town needs to accomplish fire protection that it can afford. Mr. Welch is not in favor of moving equipment uptown. Mr. Moore noted that the Precinct Commission does not need to meet in the beach area and that they could use meeting rooms in a hotel. Deputy Fire Chief Benotti discussed the decrease in fire equipment over the years, even though the need for service has increased. He said that the beach station is important for when there are fires in the beach area as it impacts the response time greatly.

**VOTE: 4 FOR
OPPOSED - Workman**

Mrs. Bridle-Russell MOTIONED to go forth with the proposed beach substation and that it does not exceed \$2.221 million to be paid over a 30 year term. **Mr. Workman SECONDED.**

Discussion:

Mrs. Bridle-Russell would like to give voters a choice. She pointed out that the beach station is unfit and unsafe. She also noted that the land that the structure is on is not Town property. Mr. Griffin does not believe that voters will support any of the fire station articles if there's more than one. Mr. Lally is against the motion. Mr. Moore noted that voters do not want to incur taxes for new facilities however; he believes that both stations should be offered to the voters. Mr. Workman believes that both stations desperately need to be upgraded.

**VOTE: 3 FOR
OPPOSED – Lally & Griffin**

Chief Lipe noted that there is a letter of agreement with Unitil regarding the bucket truck. Chairman Moore noted that it will be signed and set to Unitil.

III. MINUTES – DECEMBER 3, 2007

The December 3, 2007 minutes stand approved as distributed.

IV. OLD BUSINESS

1. TOWN MANAGER'S REPORT

Mr. Welch is pleased to report that both the US Environmental Protection Agency (EPA) and the NH DES have reissued the Town of Hampton authority to operate the Town's Wastewater Treatment Plant for a 5 year period.

The Town Manager reminded citizens that petitioned warrant articles for the 2008 Annual Town Meeting must be filed at the Selectmen's Office no later than 5 p.m. on January 8, 2008. He also noted that the petition period for amendments to the Zoning Ordinance will close on December 12, 2007 at 5 p.m.

The Board of Selectmen will hold a public hearing to bond the new Fire Station article(s) on January 7, 2008 at 7 p.m. in the Selectmen's Meeting Room.

The Budget Committee will conduct its Annual Public Hearing on Thursday, January 10, 2008 at 7 p.m. at the Hampton Academy Junior High (with a snow date of January 15, 2008).

The NROC meeting will be held January 9, 2008 at 7PM in the cafeteria of the Hampton Academy.

Mr. Welch is still waiting to hear back about the Special Election.

2. ICE POND

Item postponed until next week.

OTHER OLD BUSINESS

Mr. Welch reported that the Budget Committee has included the police cruisers in the operating budget. He questioned if the Selectmen would like to remove the cruiser articles from the warrant.

Chairman Moore noted that the District Court article will be removed for further discussion. He also mentioned that the Board is waiting to hear back from a few social services.

Chairman Moore discussed the article for the police cruisers (approximately \$80,000). The warrant article was going to authorize the expenditure of half of the amount from the revolving fund. Mr. Moore noted that the Town does not need warrant approval to use the special details revolving fund. He asked if the Town would be creating a problem with appropriations if four cruisers are purchased. Mr. Welch said that he would refer to the Finance Director and provide the Board with recommendations at a later date.

Town Manager Welch discussed the need to the Town to implement GASB 34.

Mrs. Bridle-Russell MOTIONED to use \$12,000 from the 2007 budget to proceed with the necessary steps to implement GASB 34. **Mr. Workman SECONDED.**

VOTE: UNANIMOUS FOR

Mr. Lally questioned if the SAFER grant article should be removed from the warrant. Mr. Welch recommended that the article remain as it does not cost the Town anything to apply.

Chairman Moore said that he is very concerned about the amount of residual overtime that is left in the operating budget after the first \$75,000 was reduced when the Fire Department was before the Selectmen. He gives the Fire Department and Mr. Welch credit for managing that figure and will be watching how management proceeds.

IV. NEW BUSINESS

1. DELIBERATIVE SESSION - QUESTIONS

The Town Moderator has asked the Selectmen if they are interested in having food service at the Deliberative Session. There was no food served last year.

It was the consensus of the Board to offer food service during the Deliberative Session.

VI. CONSENT AGENDA

1. Cemetery Deeds
2. Parade Permit
3. Welfare Lien

Mr. Lally MOTIONED to accept the consent agenda as presented. **Mr. Griffin SECONDED.**

VOTE: UNANIMOUS FOR

VII PUBLIC COMMENTS

Dick Nichols (9 Great Boars Head Avenue) noted that he was a member of the 2006 Fire Station Committee. He believes that the Town fire facilities need to be upgraded but he would like to see the cost kept to a minimum. Mr. Nichols pointed out that the costs are categorized into two; construction and land. He mentioned that the 2006 article for the Winnacunnet fire station (9,200 square feet) for \$1.7 million was voted down. The Fire Station Committee recommended a 6,300 square foot structure at the beach. He believes that the current proposal is almost double of what was proposed by the Committee. Mr. Nichols said that the essential requirements for the immediate future (not 50 years out) can be achieved with combining facilities. The proposed goes beyond the required need and that the \$6.8 million proposal is too much for voters to accept. Mr. Nichols said that the Committee recommended that the 6,300 square foot station be placed in the current location. It provides the quickest response times to the north and to the south ends of the beach. Mr. Nichols talked about the 2002 agreement the Town had with the Precinct to provide fire protection at the beach. He said that within that agreement it is clear that the expectation was for the Town to build a new station on the existing site. Mr. Nichols noted that he reviewed the correspondence that was involved in the 2006 agreement. Originally the Town requested a 99 year lease. In 2006 the portion of the agreement to convey the property was omitted from the agreement that was signed by the Selectmen. Mr. Nichols noted that the Town conveyed the parcel of land to the Precinct in 1977 for the purpose of building a new fire station. He is hopeful that the Precinct Commissioners will place a higher priority on a new fire station over increasing their revenue from parking. Mr. Nichols suggested that the Precinct Commissioners and the Selectmen revisit the issue of land conveyance.

Vic DeMarco (11 Milbern Avenue) wished that there would have been a public hearing on the fire stations prior to the Selectmen voting on the fire station articles. He asked if the Precinct was involved in the fire station discussion. Mr. DeMarco is concerned about the proposed location for the fire station. He noted the hazard of emergency vehicles pulling out and backing in along Ashworth Avenue during the summer months. Mr. DeMarco pointed out that the only way for the vehicle to go north is to go down G Street. This would involve the vehicle maneuvering around the congested traffic along Ocean Boulevard. He said that at this time the fire vehicles go up D Street, missing a good portion of the summer population. Mr. DeMarco believes that some of the parking along G Street would have to be eliminated so that emergency vehicles may travel down it safely. He noted that the Precinct was created for fire protection in the beach area and that they should have been included in the fire station discussions. Mr. DeMarco suggested that perhaps the Precinct should consider returning the fire station land back to the Town to be used for the new station.

Mrs. Bridle-Russell said that the Precinct told the Town that they did not want the fire station in the current location. Mr. DeMarco said that there is a need for a fire station at the beach. He also expressed his skepticism regarding only nine parking spaces being lost with the construction at the proposed location. As the parking lot supervisor he believes there will be more.

Michael Pierce (16 Hedman Avenue) also would have liked to have seen a public hearing on the Fire Stations before the item was added to the warrant. He commented on the Town originally transferring ownership of the land to the Precinct. Mr. Pierce said that the voters turned down the fire station article two years ago and is convinced that they will again as he believes that the proposed stations are too much for voters to support. He suggested that the Selectmen only have one station on the warrant.

Charlie Preston (47 Glade Path) expressed his concerns about the elevation of the proposed beach station location. He is concerned about spending millions of dollars for a structure that will be built in an area that is prone to flooding. In addition, Mr. Preston does not want to see parking spaces lost to a new fire station. Mr. Preston believes that the elevation issue will only get worse. According to Mr. Preston the Fire Station Committee requested that the elevation meet the building inspector's criteria and be raised by four feet. He noted that the proposed location would be quite steep. Mr. Preston agrees that there is a need for a station but suggested that a better location be considered.

John Nickerson (10 Cogger Street) addressed the Board to express his thanks to the Police Department for their services at last week's turkey dinner. They served over 85 seniors at the Methodist Church. Mr. Nickerson also said that the Cable Committee is considering purchasing a new scan converter for the Selectmen's meeting room and will have it placed on the ceiling. He will come before the Selectmen at a later date regarding this purchase.

Colonel Lessard (6 Colby Street) reminded the Selectmen about when the Police Station was being discussed. He noted that when the station was proposed uptown along with the Fire Station it was voted down. The Colonel said that it was because residents did not want children to see prisoners being unloaded out of the cruisers. He pointed out that prisoners are unloaded under the building and the public cannot see it. Colonel Lessard is confident that if that feature would have been incorporated in the original article it would have passed. In 1944, Colonel Lessard said that the Precinct gave the property to the Town to build the fire station on. He believes that the discussions between the Town and the Precinct are a shame and that both parties should be focusing on building a fire station for protection. Colonel Lessard believes that the Town would not have this location issue if the Police Station was built uptown rather than at the beach. He feels that the Precinct is playing the Town and that it is time that the Selectmen flex their power and say that either we do it or not.

VIII. CLOSING COMMENTS:

None

IX. ADJOURNMENT

Mrs. Bridle-Russell MOTIONED to adjourn at 9:25 p.m. **Mr. Lally SECONDED.**

VOTE: UNANIMOUS FOR

Chairman